MINUTES

Approved by the Committee Occupational Licensing and Certification Laws Committee Tuesday, September 29, 2020 2:00 P.M. Audio Conference/WW54

Audio Conference/WW54 Boise, Idaho

Cochair Lakey called the meeting to order at 2:02 p.m.; a roll call was requested - all members/presenters/staff participated via video or teleconference.

Members present: Cochair Senator Todd Lakey and Senators Fred Martin, Lori Den Hartog, and Grant Burgoyne; Cochair Representative Gayann DeMordaunt and Representatives Randy Armstrong, Julianne Young, and Elaine Smith; LSO staff Matt Drake, Jennifer Kish, and Christine Otto.

Additional attendees: Soren Jacobsen, Nathan McGregor - LSO; Alex Adams - Div. of Financial Management (DFM); Greg Wilson - Office of the Governor; Russell Barron, Rob McQuade - Div. of Occupational and Professional Licenses (DOPL); Iris Hentze - National Conference of State Legislatures (NCSL).

NOTE: presentations and materials distributed to members are posted to the Idaho Legislature's website: https://legislature.idaho.gov/sessioninfo/2020/interim; and copies of those items are on file with the Legislative Services Office located in the State Capitol.

Both cochairs made opening remarks before calling upon Greg Wilson, Sr. Policy Advisor for the Office of the Governor, for comments about occupational licensing per the governor's office. He announced that the new administrator for the Division of Occupational and Professional Licenses (DOPL) is Russell Barron, who was in attendance. He reminded the committee of previous executive orders related to occupational licensing reform (EO 2017-06, EO 2019-01 and EO 2019-02) and reviewed the details of HB318 (2020) that gave the governor authority to reorganize certain self-governing agencies. In addition, the governor issued EO 2020-10, which consolidated ten boards/commissions under the renamed Division of Occupational and Professional Licenses (DOPL); established three sections to better align the boards/commissions by field: health professions, occupational licenses, and building, construction, and real estate; and identified duties of the division and its administrator.

Alex Adams contributed to the discussion noting the financial benefits of the reorganization. Mr. Adams noted that consolidating the location of these boards/commissions would reduce administrative costs and make it easier for the public and vendors to locate them. He noted that efforts to obtain a single licensing vendor for most or all agencies under DOPL was in progress and that discussions with the Controller's Office were in progress to add financial information of the boards/commissions to the website for transparency.

- Cochair DeMordaunt noted that, in her experience with the NCSL occupational licensing consortium, states with a centralized licensing agency, such as DOPL, seemed to have a more aggressive approach to occupational licensing.
- Cochair Lakey inquired when all DOPL agencies would be in the new centralized location at the Chinden campus. Mr. Adams reported that it depended on how well appropriations dedicated for the move went with each agency; each DOPL agency would have a supplemental in its budget in January to cover those expenses. Mr. Barron explained that there were two phases on moving DOPL agencies: first, currently in a temporary "swing space" at the campus, were the Board of Nursing (lease expired), Outfitters and Guides Licensing Board (building in disrepair), the Board of Veterinary Medicine, and DOPL itself; second, the permanent offices still occupied by other business, when empty, would need to be converted, provided appropriations were approved. He surmised that, if things went as planned, all agencies could be at the campus by the fall of 2021.

At 2:25 p.m., Matt Drake began his discussion on items proposed for a sunrise review application.

- Cochair Lakey inquired about the intent of item #19 on the proposed list. Mr. Drake explained that some of the items were from other states' applications and it was included for the purpose of discussion. Sen. Burgoyne wondered whether the word "grant" was appropriate on item #19 and proposed the wording should be "grants or payments" or "payments."
- Cochair Lakey asked whether there were any known potential licensures and whether anyone
 had inquired about the process. Mr. Drake reported that he was not aware of any inquiries or
 potential licensures.
- Cochair DeMordaunt felt that the questions proposed were very thorough and would save any
 committee work in the long run by being so thorough. She also proposed that the application
 should be located on the DOPL website in addition to the LSO/Legislature's website, and to
 consider some national websites. Mr. Drake responded that he would conduct additional
 research on those ideas.

At 2:40 p.m., Iris Hentze, policy specialist for the National Conference on State Legislatures, provided her presentation <u>Sunset Processes in Occupational Licensing</u>. She reviewed the purpose of a sunset process, who should be responsible for the review process, variations of review processes, and various states' examples along with the pros/cons of those variations.

- Cochair Lakey requested that Ms. Hentze provide additional information on the criteria that other states consider for sunset reviews.
- Sen. Burgoyne commented on a need for the auditing of licensing boards, which would promote better financial management and could identify whether a board was still necessary. He supported that audits should be done effectively, and not be regulated by a budget, and that these audits should not be additional duties for existing staff. Ms. Hentze commented that states with fewer staff were not ineffective but it was more prudent to have a few staff members rather than a single staff member. Cochair DeMordaunt cautioned that audits may, indirectly, add additional costs to licensees and services to consumers.
- Cochair DeMordaunt inquired how many reviews were completed by the single staff member in New Mexico. Ms. Hentze reported that New Mexico had a review process of every two years and there was a list in statute of what entity would be reviewed. Ms. Hentze would send that example to the committee members. Cochair DeMordaunt commented that the processes of Arkansas and Washington had some appeal.
- Cochair Lakey asked for clarification between comprehensive and regulatory reviews. Ms. Hentze explained that the comprehensive review was completed on any entity created statutorily that regulated a service (finance, public safety, etc.), whereas the regulatory focused more on entities and issues related to occupational licensing. Cochair Lakey inquired how a schedule for review was determined. Ms. Hentze, using Arkansas as an example, explained that a committee simply started at the beginning of the list of entities and performed a review; after the initial review, a schedule was created to review each occupation on a rolling basis (i.e., Arkansas was every six years). Cochair Lakey asked who was responsible for the initial assignment of the reviews to occur. Ms. Hentze explained that, for Arkansas, it was determined by an occupational licensing review subcommittee.
- Sen. Burgoyne asked who ultimately made recommendations after a review and, regarding a sunset recommendation, who took action on that recommendation. Ms. Hentze responded that the states varied but, per the first examples (AK, NM, NV, and WA), staff put together the data and delivered it to the legislative committee tasked with the duty of making a recommendation based on those reports. In the Texas and Colorado models, executive branch staff on the committee were able to make recommendations within the report to the legislative committee. As to who is tasked with the decision, Ms. Hentze explained that some states had a special sunset committee and some delivered the report to the germane committee where the recommendation

proceeded through the legislature like any legislation. Sen. Burgoyne commented that he was not in favor of staff being tasked with making any recommendation, however, if executive branch staff were involved, then they should/could be allowed to include a recommendation per the executive entity. He added that it may be necessary for a sunset review to include whether any circumstances had changed that would negate the need for the regulation.

• Cochair Lakey inquired who put an entity into the review process when a state, such as Washington, had a discretionary process. Ms. Hentze reported that any legislator, whether on the review committee or not, could request a review. She noted that this lends to entities that are a "hot topic" to get more requests for reviews, while others can languish for years with no review. Cochair Lakey commented that it seemed more fair to have a rolling review of every entity rather than a system such as the discretionary process.

At 3:35 p.m., Matt Drake began discussion on the proposed amendment to IC 67-9406, Licensure by Endorsement -- Members of the Military, Veterans, and Spouses. He reported that Tammy Perreault, Northwest Regional Defense-State Liaison for the US Dept. of Defense, had informed him of the Military Spouse Licensure: State Best Practices and Strategies for Achieving Reciprocity report. Mr. Drake noted that the DoD considered state criteria on license portability when assigning bases - though it would not be the only or the highest priority considered. Items to highlight within the report: considered the amount of time necessary to obtain licensure - from preparing to apply to the actual application (p. 7); noted best state practices (p. 12); identified Arizona and Florida as having the most favorable processes (p. 13); and noted that Idaho may require full application with verifying documents (p. 38). Mr. Drake's proposed amending language MDD016 attempted to address those items from the report in an effort to adjust Idaho's process to those more favorable practices.

- Cochair Lakey liked the attempt to address the scope of practice, to not affect compact agreements, and to verify that one's scope of practice was valid within another state.
- Sen. Burgoyne asked whether this proposed language would make Idaho's licensing process more appealing. Mr. Drake felt that it would. He reported that, while the DoD had a goal for individuals to be relicensed within 30 days, he had data from DOPL that showed individuals were being relicensed within three days (average across the boards). He noted that Ms. Perreault would like to address the committee at a future meeting to better explain the issues.
- Sen. Burgoyne emphasized the need to verify that an individual's license was "unrestricted" within another state, including the situation where an individual had an ongoing proceeding and whether the conclusion of that proceeding would be reported. Cochair Lakey commented that subsection (6) may address that issue.
- Sen. Den Hartog inquired whether Idaho's universal licensing language would benefit from any of the ideas from this report. Mr. Drake felt that the universal language was quite strong as it stood.
- Cochair Lakey wondered whether a *requirement* of 15 days was better than the *goal* of 15 days. Mr. Drake admitted that it would be best to consult with DOPL staff and board members on that item. He noted that most often a delay for licensure was due to the applicant.

At 3:55 p.m., the committee moved to general discussion on the agenda items and future topics.

- Rep. Smith commented that she was interested in more information about the regulatory and comprehensive processes used in Arkansas and Colorado, since, like those states, Idaho had a small staff with which to operate.
- Sen. Den Hartog expressed concern that a sunset review could get caught in a political struggle, thereby wasting staff's valuable time, rather than being a useful tool to streamline regulating entities.
- Sen. Burgoyne determined that 8-9 entities could be identified for review per year within Idaho. He felt that a scheduled and mandatory review would be best, and noted that a review was

not necessarily to determine whether to eliminate an entity but rather to identify issues that otherwise would not have been discovered.

- Cochair DeMordaunt noted that this was a large project to undertake. She commented that smaller steps could be accomplished at this time rather than a total comprehensive review. She hoped that the committee could prioritize items that would be accomplished during the committee's term.
- Cochair Lakey summarized that a comprehensive review would be ideal, but reality was that a
 regulatory process was more attainable. He added that the committee's focus on occupational
 licensing items seemed more important than creating a comprehensive review of regulatory
 entities.
- Rep. Young inquired whether licensing boards shared accountability with their funding and membership. Mr. Barron explained that boards/commissions voted on their leadership, either annually or biannually. Cochair Lakey noted that most board members were typically appointed by the governor. Mr. Barron commented that the term of a member was varied. Sen. Burgoyne added that the appointee names were often submitted by the membership.

A date of October 22 was selected for the next meeting. With no further business, the meeting was adjourned at 4:15 p.m.